

SENATE BILL No. 229

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-1-37.

Synopsis: Health care ombudsman. Requires the department of insurance to establish an office of health care ombudsman. Requires the commissioner of the department of insurance to appoint a health care ombudsman. Specifies the functions and responsibilities of the office of health care ombudsman and the health care ombudsman.

Effective: July 1, 2001.

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January 9, 2001, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 229

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-1-37 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2001]:

4 **Chapter 37. Office of Health Care Ombudsman**

5 **Sec. 1. As used in this chapter, "health benefit plan" means**
6 **coverage for health care services provided under a:**

7 **(1) policy of accident and sickness insurance (as defined in**
8 **IC 27-8-5-1); or**

9 **(2) contract with a health maintenance organization under**
10 **IC 27-13.**

11 **Sec. 2. As used in this chapter, "health benefit plan provider"**
12 **means a person that provides coverage under a health benefit plan.**

13 **Sec. 3. As used in this chapter, "ombudsman" refers to the**
14 **health care ombudsman appointed under section 6 of this chapter.**

15 **Sec. 4. As used in this chapter, "office" means the office of**
16 **health care ombudsman established under section 5 of this chapter.**

17 **Sec. 5. The department shall establish an office of health care**



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1 ombudsman within the department. The office shall be
2 administered by a health care ombudsman.

3 Sec. 6. The commissioner shall appoint a health care
4 ombudsman who must possess expertise in the areas of health
5 benefit plans and advocacy.

6 Sec. 7. The department may contract with a nonprofit
7 organization to provide the services required under this chapter.

8 Sec. 8. The office shall do the following:

9 (1) Assist health benefit plan consumers with health benefit
10 plan selection by providing information, referral, and
11 assistance regarding obtaining health benefit plan coverage
12 and services.

13 (2) Assist health benefit plan consumers in understanding
14 consumer rights and responsibilities under a health benefit
15 plan.

16 (3) Provide information to the public, agencies, legislators,
17 and others regarding problems and concerns of health benefit
18 plan consumers and make recommendations for resolving
19 problems and concerns.

20 (4) Identify, investigate, and assist in resolving complaints on
21 behalf of individual health benefit plan consumers and assist
22 consumers with the filing and pursuit of complaints and
23 appeals.

24 (5) Analyze and monitor the development and implementation
25 of:

26 (A) federal;

27 (B) state; and

28 (C) local;

29 laws, regulations, and policies related to health benefit plans.

30 (6) Ensure that health benefit plan consumers have timely
31 access to the services provided by the office.

32 (7) Submit to the legislative council and to the governor, not
33 later than January 10 each year, a report on the:

34 (A) activities;

35 (B) performance; and

36 (C) fiscal accounts;

37 of the office during the preceding year.

38 Sec. 9. (a) The ombudsman may do the following:

39 (1) Hire staff or contract with individuals.

40 (2) Review the health benefit plan records of a consumer who
41 has provided written consent to the review.

42 (3) Pursue administrative and other remedies on behalf of an

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individual health benefit plan consumer or group of consumers.

(4) Delegate to employees and contractors of the ombudsman any part of the ombudsman's authority.

(5) Adopt policies and procedures and take other action necessary to implement this chapter.

(b) A health benefit plan provider shall provide the ombudsman with access to the health benefit plan provider's records related to a consumer who has provided written consent to release of the records to the ombudsman.

Sec. 10. State agencies shall comply with reasonable requests from the ombudsman for information and assistance.

Sec. 11. The office shall not disclose the identify of an individual utilizing the services of the office unless the office obtains:

(1) written consent to the disclosure by the individual or the individual's legal representative; or

(2) a court order requiring the disclosure.

Sec. 12. The ombudsman and the employees and contractors of the ombudsman may not:

(1) have direct involvement in the licensing, certification, or accreditation of;

(2) have direct ownership interest or investment interest in;

(3) be employed by or participate in the management of; or

(4) receive or have the right to receive, directly or indirectly, remuneration under a compensation arrangement with;

a health benefit plan provider or health care provider (as defined in IC 16-18-2-163(b)).

Sec. 13. The ombudsman may:

(1) act on behalf of the interests of health care and health benefit plan consumers; and

(2) carry out all duties prescribed in this chapter;

without being subject to disciplinary or retaliatory action.

Sec. 14. This chapter does not limit the authority of the commissioner to:

(1) enforce the terms of a health benefit plan policy or contract; or

(2) otherwise perform the duties of the commissioner under IC 27.

Sec. 15. The department may adopt rules under IC 4-22-2 to implement this chapter.

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